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MASON & HANGER CORPORATION

NEWPORT CHEMICAL DEPOT

2001-014-637

June 26, 2001

General Services Administration
FAR Secretariat (MVP)
1800 F Street, NW
Room 4035
ATTN: Laurie Duarte
Washington, DC 20405

Dear Ms. Duarte:

SUBJECT: FAR CASE 2001-014 (Proposed Revocation)

We are writing to comment on Federal Acquisition Regulation (FAR) case 2001-014 (Proposed Revocation) regarding contractor responsibility, labor relations costs and costs relating to legal and other proceedings.

We strongly endorse the proposed rule to revoke the rules that initially were issued on December 20, 2000, put into effect on January 19, 2001 and subsequently suspended. It is our position that the rule cannot be implemented effectively. Its standards are too vague, the issues are too complex, and the rule ignores the fact that the government workforce is not properly trained to effectively implement such a rule.

We also believe the rule would:

- ◆ require contractor certifications that could give rise to potential false claims suits;
- ◆ usurp legislative authority through administrative rule making, effectively amending public law;
- ◆ destroy the link between a violation and the properly prescribed remedy; and
- ◆ raises serious questions of due process.

We believe the most prudent course of action is to revoke the December 20, 2000 rule. There are sufficient, effective and proven tools covering contractor responsibility and allowable cost issues. The December 20, 2000 rule represents the wrong approach, at the wrong time, and provides the wrong remedies for the wrong reasons.

Sincerely,

MASON & HANGER CORPORATION

D. A. Lichtenberger
D. A. Lichtenberger
Vice President/General Manager

DAL:bs

7/13/01